

Moran Introduces Government Ownership Exit Plan Act of 2009

Legislation Sets Date to End Government Interference in Private Business

WASHINGTON, D.C. - Congressman Jerry Moran introduced legislation that mandates that by July 1, 2010, the federal government must end all ownership of private entities that it acquired under the Troubled Asset Relief Program (TARP). The Government Ownership Exit Plan Act of 2009 prevents the government from acquiring new ownership in private businesses and prohibits the government from making any management decisions in private businesses in which it already has an ownership interest.

The U.S. Chamber of Commerce has endorsed companion legislation introduced in the Senate by Senator John Thune (R- SD).

"Government interference with private sector affairs has long passed an expiration date," Moran said. "This legislation will relieve the government of its ownership of private entities by next July. Throwing taxpayers' borrowed dollars at private sector's problems is never a solution - it only shifts the burden of risk. Congress *does* need to address the country's economic circumstances, however, those ultimately paying for private sector mistakes have been the American taxpayers."

"Thanks to the federal government's unprecedented intervention in the private sector, the president has become a de facto CEO and Congress is acting as a 535 member board of directors for hundreds of private businesses," said Senator John Thune. "I appreciate Congressman Moran introducing a companion bill to my Government Ownership Exit Plan in the House and look forward to both chambers addressing this issue on behalf of taxpayers across this country."

The Government Ownership Exit Plan Act of 2009 would require the U.S. Treasury Department to sell any government ownership stake, such as warrants, preferred stock, or common stock, from a private entity by July 1, 2010. In the past year, the federal government has acquired direct ownership in hundreds of private companies, including two car manufacturers, multiple financial institutions, and over 500 banks.

"I am one of 17 members of Congress who voted against every bailout for Wall Street, numerous banks and American International Group (AIG), Inc," Moran continued. "Congress voted to give these private entities government funds, and by doing this, we violated principles that we know work, principles of an economy. The Obama Administration is resolute in leading government interference in private business and its involvement is compromising the business sector. This legislation prohibits the government from acquiring any new ownership in the private sector and will halt further irresponsible use of taxpayers' dollars."

The Treasury Secretary is required to report to Congress and provide detailed information on existing government ownership interests in private entities and on any loans or loan guarantees made by the Federal Reserve.

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